



STATE OF ARIZONA
OFFICE OF THE GOVERNOR

DOUGLAS A. DUCEY
GOVERNOR

EXECUTIVE OFFICE

May 14, 2019

The Honorable Katie Hobbs
Secretary of State
1700 W. Washington, 7th Floor
Phoenix, AZ 85007

Dear Secretary Hobbs:

I am transmitting to you the following bill from the Fifty-fourth Legislature, 1st Regular Session, which I signed on May 14th, 2019:

H.B. 2097 personal property; reporting; exemption (Cook)
H.B. 2117 developmental homes; monitoring (Barto)
H.B. 2118 unauthorized practice; health professions (Barto)
H.B. 2266 prisoners; transition program; eligibility (Payne)
H.B. 2446 special plates; military; women veterans (Griffin)
H.B. 2454 municipal band tax; authorization; repeal (Griffin)
H.B. 2495 appropriations; named claimants (Cobb)
H.B. 2570 study committee; murdered indigenous women. (Jermaine)
H.B. 2687 condominiums; appraisals; termination (Weninger)
H.B. 2707 humanitarian services special plates (Osborne)
S.B. 1111 arts proficiency; state seal (Boyer)
S.B. 1181 DOR; collection statement; delivery deadline (Boyer)
S.B. 1182 fire insurance; premium tax proceeds (Boyer)

Sincerely,

Douglas A. Ducey
Governor
State of Arizona

cc: Senate Secretary
Chief Clerk of the House of Representatives
Arizona News Service

Senate Engrossed

FILED
KATIE HOBBS
SECRETARY OF STATE

State of Arizona
Senate
Fifty-fourth Legislature
First Regular Session
2019

CHAPTER 237
SENATE BILL 1182

AN ACT

AMENDING SECTIONS 9-951 AND 9-952, ARIZONA REVISED STATUTES; RELATING TO
FIRE INSURANCE PREMIUM TAX PROCEEDS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 9-951, Arizona Revised Statutes, is amended to
3 read:

4 9-951. Disposition of fire insurance premium tax proceeds:
5 composition of fund

6 A. The proceeds of the annual tax provided by law on the gross
7 amount of all premiums received on policies and contracts of fire
8 insurance covering property within this state, after deducting
9 cancellations, return premiums, dividends and the amount received as
10 reinsurance on business in this state, are appropriated and set aside for
11 distribution to cities and towns and legally organized fire districts that
12 procure the services of private fire companies and for the payment of
13 benefits pursuant to this article, article 4 of this chapter or title 38,
14 chapter 5, article 4.

15 B. Not later than April 30, the office of the state fire marshal
16 shall certify to the state treasurer the incorporated cities and towns
17 ~~having~~ THAT HAVE organized fire departments, the incorporated cities and
18 towns and legally organized fire districts that procure the services of a
19 private fire company and the areas served by legally organized fire
20 districts, AND the department of insurance shall certify to the state
21 treasurer the respective amounts of tax on fire premiums paid in the
22 previous year for properties located in this state. ~~—~~ NOT LATER THAN
23 JUNE 15, ~~and~~ the department of revenue shall certify to the state
24 treasurer the full cash value of the real property and improvements for
25 the previous year in each incorporated city and town and legally organized
26 fire district that procures the services of a private fire company and in
27 each area served by a fire department or a legally organized fire
28 district. The total amount of the tax proceeds shall then be prorated
29 among the several incorporated cities and towns and legally organized fire
30 districts in proportion to the full cash value of the real property and
31 improvements in each incorporated city and town and legally organized fire
32 district that procures the services of a private fire company and in each
33 area served by a department or a legally organized fire district to the
34 total full cash value of all incorporated cities and towns and legally
35 organized fire districts that procure the services of a private fire
36 company and incorporated cities and towns that have a fire department and
37 legally organized fire districts in this state.

38 C. Each incorporated city or town ~~having~~ THAT HAS an organized fire
39 department and each legally organized volunteer fire district shall deduct
40 five percent from the salaries or compensation of its firefighters and add
41 a like amount from its general revenues. The employer or the employee may
42 add a contribution greater than that specified in this subsection to the
43 fire fighters' relief and pension fund. The total of the two amounts
44 shall be paid each month into the fire fighters' relief and pension fund.
45 The treasurer of each board shall keep a record of the salary deductions.

1 If a firefighter dies under circumstances ~~not entitling~~ THAT DO NOT
2 ENTITLE the firefighter's dependents to a benefit from the fire fighters'
3 relief and pension fund, or if the firefighter becomes separated from the
4 service voluntarily or involuntarily without having become eligible for
5 retirement benefits ~~thereunder~~ UNDER THE FIRE FIGHTERS' RELIEF AND PENSION
6 FUND, all deductions previously made from the firefighter's salary under
7 this article ~~shall become payable~~, plus interest as determined by the
8 board, ARE PAYABLE to the firefighter's beneficiary in the event of the
9 firefighter's death, or otherwise to the firefighter.

10 D. Payroll deductions made under subsection C of this section, plus
11 any additional sums the board of trustees may add, shall be set aside in a
12 permanent reserve fund, the income of which, but no part of the
13 principal, shall be used to pay retirement benefits or relief, but, in
14 order to pay the refunds provided for in subsection C of this section,
15 that portion of the principal that accrues from salary deductions may be
16 drawn on when necessary.

17 E. For the purposes of this section and section 9-952, full cash
18 value of real property and improvements for the previous year with respect
19 to each incorporated city and town that procures the services of a private
20 fire company ~~shall be~~ ARE limited to thirty percent of the amount
21 certified by the department of revenue and the percentage shall be
22 utilized in computing the entitlement of an incorporated city or town that
23 procures the services of a private fire company.

24 Sec. 2. Section 9-952, Arizona Revised Statutes, is amended to
25 read:

26 9-952. Disposition of fire insurance premium tax

27 Not later than July 1 31 of each year, the state treasurer, using
28 the information provided by the cities and towns and legally organized
29 fire districts, the office of the state fire marshal, the department of
30 insurance and the department of revenue as provided in section 9-951,
31 subsection B, shall distribute the fire insurance premium tax to the
32 respective incorporated cities and towns and legally organized fire
33 districts in proportion to the full cash value of the real property and
34 improvements in each incorporated city and town and legally organized fire
35 district that procures the services of a private fire company and in each
36 area served by a fire department or legally organized fire district. The
37 warrant issued by the state treasurer to incorporated cities and towns and
38 legally organized fire districts having organized fire departments and to
39 legally organized fire districts shall be identified as "fire fighters'
40 relief and pension fund". The warrant issued by the state treasurer to an
41 incorporated city or town or legally organized fire district procuring the
42 services of a private fire company that has a pension plan covering
43 firefighting personnel shall be identified for deposit in the
44 municipality's general fund or, in the case of a fire district, in the
45 fire fighters' relief and pension fund.

Passed the House May 7, 2019,

by the following vote: 57 Ayes,

0 Nays, 3 Not Voting

Mark P. Bryant
Speaker of the House
Jim Drake
Chief Clerk of the House

Passed the Senate February 25, 2019,

by the following vote: 29 Ayes,

0 Nays, 1 Not Voting

Karen Farn
President of the Senate
Susan Owens
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill was received by the Governor this

9th day of May, 2019,

at 10:37 o'clock A M.

[Signature]
Secretary to the Governor

Approved this 14th day of

May, 2019,

at 8:47 o'clock A M.

[Signature]
Governor of Arizona

S.B. 1182

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State

this 14 day of May, 2019,

at 10:35 o'clock A M.

[Signature]
Secretary of State